
Final Report - July 30, 2014

Construction Careers Advisory Committee
Report to Mayor and Seattle City Council
July 30, 2014

by

Agreement Dynamics, Inc.



Acknowledgements

Special Thanks to the Construction Careers Advisory Committee members:

Labor: *Dan Hutchins, Lee Newgent, Marge Newgent,
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General Contractors: *Jerry Dinndorf, Gus Sestrap, John Welch,
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Executive Summary

In 2013, the Seattle City Council approved Resolution No. 31485 to expand opportunities for those historically under-represented in the construction field: women, people of color and otherwise disadvantaged individuals. Focusing on City of Seattle public works projects, the resolution called for a Construction Careers Advisory Committee (CCAC) to develop recommendations to the Mayor and City Council on strategies to improve access to construction careers. The CCAC included Seattle contractors, subcontractors, minority contractors, labor union representatives, training providers, policy experts and community members. These 30 representatives and alternates met from October 2013 to May 2014. Their recommendations are shown in this report indicating support by consensus or majority vote. Minority opinions are included in Appendix A.

Targeted Hire Recommendation: To reach the objective of more employment in construction for disadvantaged populations, CCAC contemplated a targeted hire approach for the City. They considered policy options, and narrowed their focus to three alternatives: a targeted-hire ordinance, a Project Labor Agreement (PLA), or a hybrid of an ordinance containing a PLA. By majority, CCAC voted (with two general contractors abstaining, and one trainer indicating the recommendation was acceptable, but not the preferred solution) to recommend a hybrid approach, establishing an ordinance requiring all projects at or above \$5,000,000 to have target hire requirements and a mandated PLA.

- 1. An Ordinance Creating a Target Hire Requirement on all Projects at or above \$5,000,000.**
 - **The ordinance would define Target Hire individuals as those under-represented in the construction workforce, specifically including women, people of color, and residents of economically distressed zip codes with a disproportionate share of disadvantaged individuals (i.e. homeless, unemployed, those living at 200% of the federal poverty level or below in Seattle and King County). (BY CONSENSUS)**
 - **The ordinance would require Target Hire of such individuals. The City (FAS, City Purchasing and Contracting Services) would review each City public works project prior to bid, to determine the percentage of practicable Target Hire requirements for the project. (BY MAJORITY)**
 - **FAS would set the highest practical requirements for employment of underrepresented workers. The requirement would be built for each project, using a formula that considers type of work, the duration of the project, past performance on similar types of work, and an aspirational improvement. The percentages would be required of each contractor on the project. Contractors may count under-represented individuals**

- placed into administrative and construction management positions towards the requirement. (BY CONSENSUS)
- Should a contractor fail to achieve the requirements, the Contractor must complete alternative process steps (similar to those used by FAS in the WMBE program). (BY CONSENSUS)
 - Contractors that fail to comply are subject to enforcement, up to and including withholding payments and debarment when necessary and determined appropriate per Seattle Municipal Code 20.70.030 - Authority to Order Debarment). (BY MAJORITY)
 - Two years from the start of the first project covered under this ordinance and project labor agreement, FAS would analyze to determine if a higher or lower threshold is appropriate. (BY CONSENSUS)
2. Mandating a Project Labor Agreement on projects at or above \$5 million.
- The ordinance would direct the City to execute a PLA that would be inclusive of all public work projects at or above \$5,000,000 in value. (BY MAJORITY).
 - The PLA will allow for the pre-apprenticeship preferred entry, as well as community-extended entry up to 18 months total. (BY MAJORITY)
 - The PLA will include mechanisms to accommodate WMBEs:
 - Five core workers allowed on each contract on each project. This includes a foreman, a core worker, and then will alternate between a union-dispatch worker and a Contractor core worker until five core workers are placed (four core workers and a foreman). (BY MAJORITY)
 - The City shall pay the subcontractor for any dual benefit costs. (BY MAJORITY)
 - The City shall provide technical support such as (BY MAJORITY):
 - Assistance with bidding and award processes;
 - Help with paperwork and compliance software.
 - FAS shall provide a process to enforce fair treatment. (BY MAJORITY)
 - Dispute resolution
 - Independent complaint investigation by a City Contracts Ombudsman.
 - PLA Clause: In the event a contractor is unable to find qualified and competitive WMBE subcontractors and needs to satisfy WMBE participation goals, then the Union whose work is involved and the Contractor, by mutual agreement, may waive the requirement of becoming signatory to the PLA. (BY MAJORITY)

Apprenticeship and Pre-Apprenticeship Recommendation: CCAC recommended amending the current City Apprenticeship Ordinance (SMC 20.38) to create a stronger apprenticeship training pipeline:

- **Revise the apprenticeship utilization requirement within SMC 20.38, to require each City project have no less than 15% of total work hours performed by Apprentice workers and no more than 20%. (BY CONSENSUS)**
- **Require that the percentage of total work hours be performed by under-represented individuals, with FAS allowing contractors to offer alternative ways to meet social equity goals. (BY MAJORITY)**
(If a Contractor is unable to meet the requirement, the Contractor may seek a waiver at time of bid, by selecting alternative methods to promote the intentions of the Target Hire Program. FAS shall define the alternatives that a Contractor may offer.)
- **Require contractors to hire one pre-apprenticeship graduate as a preferred entry into an apprenticeship program so one of every 5 apprentices hired to serve on the project is a preferred-entry apprentice. (BY MAJORITY)**
- **Add resources for greater recruitment and support of underrepresented individuals, in a manner that encourages other public agencies throughout the region to join. (BY CONSENSUS)**
- **Fund existing or otherwise appropriate programs to provide direct support to under-represented individuals in pre-apprentice or apprenticeship programs (and/or those who need assistance to perform at a journey-level) for such things as tuition, tools, initiation fees, childcare costs, driver's license support or similar expenses incurred by individuals. Such dollars would be used to offset the barriers identified by expert analysis. (BY CONSENSUS)**
- **Provide funding and support for apprenticeship and pre-apprenticeship programs to improve retention and graduation rates as well as to increase employment of under-represented individuals. (BY CONSENSUS)**

Conclusion: The CCAC, by majority vote, recommended a hybrid approach to require targeted hire employment and a project labor agreement for all City public work projects at or above \$5 million in value. They also recommended pursuit of a regional approach to targeted hire where practicable, and requested that the City of Seattle lead and facilitate this effort.

Construction Careers Advisory Committee Report

BACKGROUND

The Seattle City Council approved Resolution No. 31485 (see Appendix B) on September 12, 2013. This Resolution stated the City's interest in expanding economic opportunity by increasing construction employment and career ladders for those historically facing barriers to jobs in the construction industry, including women, people of color and otherwise disadvantaged individuals, particularly those who are Seattle residents. Resolution 31485 acknowledged key motivations, such as:

- Local unemployment rates measured in 2012 differed by race, with people of color experiencing higher unemployment rates: whites at 5.8%, African-Americans at 13.5%, Latinos at 9.5%, and Asian Americans at 7.1%.
- The City's public works budget is approximately \$220 million/year, which generated about 446 full-time jobs in construction in 2012.
- The City has demonstrated strong support of construction job training programs, including apprenticeship and pre-apprenticeship programs and workers.¹
- In 2013, 38% of apprentice hours were worked by people of color and 13% were worked by women, representing a greater percentage of worker hours on City projects than the percentage of people of color and women in journey-level craft hours.
- Other jurisdictions have found adopting comprehensive policies to be the most effective means to strive for economic opportunity for targeted populations.

To address these factors and benefit from the experience, perspective and knowledge of those involved in the construction industry, the Resolution called for creation of the ad-hoc Seattle Construction Careers Advisory Committee (CCAC). This Committee's purpose was to develop a report with recommendations to the Mayor and City Council on strategies to improve access to construction careers, including a possible targeted hire policy and pipeline

¹ As required by the provisions of Chapter 49.04 RCW, Chapter 296.05 WAC, and SMC 20.38.005 the City requires the use of apprentice labor on construction projects estimated to cost \$1 million or greater. To meet this requirement, contractors must ensure that up to 15% of the total contract labor hours are worked by apprentices enrolled in an apprenticeship program approved or recognized by the Washington State Apprenticeship and Training Council. <http://www.seattle.gov/contracting/apprentice.htm>, viewed April 23, 2014.

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and training programs. The resolution set forth criteria for serving on the committee, and a process and schedule.

This committee was comprised of Seattle area contractors, subcontractors, minority contractors, labor union representatives, training providers, policy experts and community members. The CCAC held 11 meetings from October 2013 to May 2014. The facilitation team of Agreement Dynamics was hired to coordinate and facilitate the meetings as well as write this report. Notes were taken for each CCAC meeting and are in Appendix C. The committee established meeting norms, agreed to a charter, and developed criteria for decision making (see Appendix D).

The CCAC was asked to use a collaborative, interest-based process to maximize the potential for mutually-acceptable outcomes. The needs, concerns and priorities of all members of the Committee were identified and clarified as consensus-based recommendations were crafted. Consensus was achieved when all parties agreed they could live with a proposed solution or recommendation, even though it may not have been their preferred ideal solution. If consensus was not achieved, recommendations were submitted if those recommendations were supported by a majority of Committee members. Members were given the opportunity to submit a minority report (see Appendix A).

The public was invited to attend CCAC meetings. Two meetings were set aside for the public to provide comments on the issues being discussed by the CCAC. Their comments are included in the notes from the December 2, 2013 and April 2, 2014 meetings.

STUDIES CONDUCTED FOR THE COMMITTEE

Four studies were commissioned by the City of Seattle to assist the CCAC in their deliberations: *The Worker Profile Report: The City of Seattle Construction Industry Labor Market Assessment, Exploring Targeted Hire, and Women and Minority-Owned Business (WMBE) Utilization in Targeted Hire.*

The Worker Profile Report was written by the University of California at Los Angeles (UCLA) Labor Center and reported to the CCAC at the December 10, 2013 meeting (see Appendix E1). The report established a baseline of existing worker demographics on City of Seattle construction projects. The researchers collected and interpreted demographic characteristics and employment information for 2,780 workers from 33 city-funded construction projects from 2009-2013. Key findings in their research included:

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- Sixty-nine percent (69%) of the workers on the projects studied come from outside of King County.
- Six percent (6%) of the workforce on City projects lived in the City of Seattle, while 25% of the workforce lived in King County.
- Five percent (5%) of the workforce lived in Seattle economically disadvantaged² neighborhoods, while 9% of the workforce lived in King County economically disadvantaged neighborhoods.
- Forty-three percent (43%) of all workers in King County/Seattle in the study lived in economically disadvantaged zip codes.
- Twenty-seven percent (27%) of the workforce was made up of people of color.
- Five percent (5%) of the workforce was female.
- Ten percent (10%) of the workforce were apprentices.
- Apprentices (both number of workers and hours worked) had higher concentrations of women (14%, 24% respectively) and people of color (35%, 32% respectively) than journey level employment (5%, 6% for women and 24%, 28% for people of color).
- Zip coded maps illustrated economically distressed neighborhoods and areas of density of people of color in Seattle and King County.

The City of Seattle Construction Industry Labor Market Assessment was written by Community Attributes Inc. This study (see Appendix E2) evaluated the regional construction labor market and workforce availability to understand the sources of demand and supply for the regional construction workforce. This analysis also examined the demographic composition of the region's construction labor force to identify opportunities for the City to hire target workers on City of Seattle Public Works contracts. Key findings in their research included:

- For both the overall construction industry and the construction trades alone, economic forecasts suggest a surplus of workers , however the surplus will decrease to a near shortage by 2019. The surplus is projected to decline from 8.0% in 2013 to 4.9% in 2019 for the former segment of construction labor, and from 9.4% in 2013 to 5.8% in 2019 for the latter population. A surplus of 5% is considered a tight labor market.
- Forecasts from the Puget Sound Regional Council and from Conway Pedersen Economics suggest demand for workers in

² Disadvantaged refers to economically distressed areas, defined as zip codes with a high density of residents living at 200% of the Federal Poverty Level or below, are unemployed and/or do not have a college degree. (UCLA Labor Center: *Worker Profile in City of Seattle Construction Projects, February 2014, p. 6.*)

construction trades in the tri-county region is 97,800 in 2014 and will increase by 13% through 2019 to 110,500.

- Regional public works projects will require between 13,200 and 14,900 workers annually, and, on average, 400 FTEs each year will be required to complete work associated with the City of Seattle's Capital Improvement Program. Because construction workers often are not on the job site full-time for a year, this does not equate to 400 workers annually.
- People of color are under-represented in the Seattle construction workforce. People of color make up 30% of the general population in Seattle and 26% of the construction workforce in Seattle.
- Representation of women and people of color is higher among new entrants to the labor force through apprenticeships and accredited completions than the overall workforce, the latter including both 2-year and 4-year degreed programs. However, women and people of color also have higher rates of apprenticeship cancellations than do their white male counterparts.
- Absent policy interventions, the infusion of new workers coming from apprenticeships and educational programs will gradually change the existing demographic composition over time to a workforce that is slightly more racially diverse, with higher female composition.

Exploring Targeted Hire: An Assessment of Best Practices in the Construction Industry was also written by the UCLA Labor Center (see Appendix E3). This study compares targeted hiring initiatives in cities across the United States and summarizes different policy approaches and mechanisms with particular focus on two of the most common approaches--ordinances and project labor agreements (PLAs). Each approach is analyzed to determine its efficacy and examine the experience of other public agencies in developing and implementing these initiatives. Key findings in their research included:

- Public agencies can use contractual tools such as 1) Community Benefits Agreements; 2) Project Labor Agreements; and 3) Contract Provisions that can require contractors to hire a certain percent of targeted workers and/or apprentices, include training programs and provide opportunities for women and minority owned businesses.
- Public agencies can impact hiring through institutional structures by including targeted hire goals in 1) Executive Orders; 2) Resolutions; and 3) Ordinances. Another option sets criteria through Responsible Contractor Standards that contractors must

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meet to bid on public works projects. Lastly, public agencies can leave hiring to the free market and not impose any specific tools.

Targeted hiring initiatives provide several benefits:

- Increased access to construction careers for low-income workers, women, veterans, workers of color, and other disadvantaged workers
- Educational opportunities
- Contractor access to a trained, qualified workforce
- Collaboration and strengthening partnerships
- Increased purchasing power and tax contributions in targeted communities

Targeted hire initiatives also present challenges in implementation as well with legal questions, concerns over costs to administer and others.

The UCLA Labor Center found a number of best practices independent of whichever policy approach is taken:

- Engage all stakeholders and increase collaboration
- Create inclusive, equitable and realistic targeted hire goals that can be communicated and measured
- Communicate goals and educate stakeholders on process
- Develop a strong system for contractor engagement and promote WMBE participation
- Create partnerships and secure funding to identify, recruit and retain targeted workers
- Invest in pre-apprenticeship programs

Women and Minority-Owned Business (WMBE) Utilization in Targeted Hire was research conducted by Armstead Consulting and presented to the CCAC at the May 12 meeting (see attachment to meeting notes). A completed report is forthcoming. The project researches WMBE utilization by local agencies that have PLAs and identifies the solutions or factors that increase WMBE utilization in those programs and mitigate the risk of negative impacts.

CCAC Findings and Recommendations

CCAC members were asked to formulate recommendations based upon a set of questions developed in the Council's Resolution No. 31485 and set forth in the CCAC charter.

BARRIERS TO CONSTRUCTION CAREERS

The committee first considered these questions:

- "What are existing barriers to construction careers for women, people of color, and those otherwise disadvantaged individuals, and in particular, those who are also Seattle residents, that any new program or policy intervention should address?"
- "What barriers are specific to public works contracting?"

CCAC members reached consensus that the following are barriers to construction careers:

1. Lack of a system that supports pre-apprenticeship funding and programs to market to and recruit the targeted population.
2. Requirement of driver's licenses, car ownership, and insurance can be a barrier to apprenticeship for a disproportionate number of people of color; institutional racism has resulted in a high number of African American males with suspended drivers licenses.
3. Lack of access to affordable and available daycare for working parents with non-standard work hours.
4. Veterans programs are not tied into the local pre-apprenticeship programs.
5. The lack of consistency on goals, apprenticeship, pre-apprenticeship, and enforcement among public agencies causes confusion and inefficiencies. Consistency creates a bigger pool.
6. Overpromising or failure to communicate the actual number of jobs available on construction projects creates a false sense of opportunity for jobs.

When asked if these barriers exist in public works contracting, the group indicated all existed in public works contracting.

CCAC members discussed other issues related to race and gender:

- Lack of diversity reflective of the region on construction jobs that would serve as role models for young people.
- Regarding diversity, there needs to be minority presence, visibility and a welcoming environment to develop the critical mass reflective of the region.

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- Maintaining a focus on African Americans is important.
- Some people feel a sense of futility about their ability to advance through the system because of their race or gender.

RECOMMENDATIONS TO OVERCOME THE BARRIERS

CCAC members agreed that the City should advocate for regional and other approaches to improve access and break down barriers for underrepresented populations in the construction industry:

- 1. Advocate for a driver's re-licensing program at the municipal court that provides services that existed prior to, and were cut during, the recession, including re-licensing clinics, an ombudsman with the ability to pull tickets from collection agencies (to prevent potentially thousands of dollars in fines), and develop repayment plans that are not burdensome with high interest rates. (BY CONSENSUS)**
(According to CCAC members, at least half of pre-apprentice students, and the broader community, could benefit from this service.)
- 2. Communicate accurately and in advance about the number of construction jobs, including how many jobs will be generated by location and the types of jobs that will result from each city funded project. Also, encourage other public sector project owners (e.g., Port of Seattle, King County, Sound Transit, etc.) to do the same. (BY CONSENSUS)**
- 3. Work with other regional agencies to reach consistent employment goals for women and people of color, apprenticeship and pre-apprenticeship rules. (BY CONSENSUS)**
- 4. Enforcement of hiring goals for women and people of color. (BY MAJORITY)**
- 5. Fund and stoke the apprenticeship pipeline to find, support, mentor and get the targeted groups into training, on jobsites, and into careers in construction. (BY CONSENSUS)**
- 6. Establish clear, consistent policies in apprentice utilization. (BY CONSENSUS)**
- 7. Tie pre-apprenticeship to high schools and involve the school system in the pipeline. (BY CONSENSUS)**
- 8. Make the industry more appealing and give prospective workers a realistic understanding of what work in the industry is like. (BY CONSENSUS)**
- 9. Establish more direct outreach that addresses veterans' needs. (BY CONSENSUS)**

BEST PRACTICES FOR RECRUITING AND HIRING RECOMMENDATIONS:

In their discussions, CCAC members also recommended the following:

- **The City should use best practices for recruiting and hiring the target group. (BY CONSENSUS)**
- **The City should facilitate development of a regional strategy to achieve targeted hiring. (BY CONSENSUS)**
(According to many CCAC members, doing so will simplify contracting and incentivize more contractors [particularly WMBE contractors] to become involved in public works projects.)
- **City should use one common set of standards that could apply to all public contracts. (BY CONSENSUS)**
- **The City should give contractors incentives or equity credit to hire targeted workers in administrative and/or construction management. (BY CONSENSUS)**
- **The City should strengthen enforcement of hiring goals for women and people of color is seen as an important recommendation to some CCAC members. (BY MAJORITY)**
- **The City must implement compliance and accountability mechanisms that get results. (BY CONSENSUS)**

When asked for other best practices and common standards, CCAC members provided email responses. When polled about their support of these best practices, 73 percent of CCAC representatives responded (see Appendix F) and that group unanimously supported these best practices³:

1. Engage stakeholders and facilitate collaboration.
2. Create inclusive, equitable and realistic targeted hire goals that can be communicated and measured.
3. Educate stakeholders and communicate goals.
4. Develop a strong system for contractor engagement and promote WMBE participation.

³ These 8 out of 9 best practices come from the UCLA Labor Center Report - *Exploring Targeted Hire*, Los Angeles: UCLA, March 2014 and is included in Appendix E3. A detailed explanation of these best practices can be found on pages 63 to 81 in the report.

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5. Create partnerships and secure funding to identify and recruit target workers.
6. Invest in pre-apprenticeship programs.
7. Support registered apprenticeship programs.
8. Support job placement and worker retention.

CCAC members, in the same poll, unanimously supported this suggested, common standard practice for public contracts:

- Provide incentives for contractors (who will get social equity credit) to hire administrative/construction management if they meet the definition of underrepresented worker.

CCAC members also noted that since the economy is in recovery, there is a great opportunity to proactively expand construction careers and job opportunities for those who have been underrepresented.

TARGETED HIRE RECOMMENDATION

CCAC members were asked to address questions related to targeted hire:

- “What could an effective targeted hire approach be for the City of Seattle?”
- “What outcomes does the Advisory Committee expect it could achieve?”
- “Does the Committee recommend additional program or policy changes and/or partnerships?”
- “What resources are needed to support the Committee’s recommendations?”
- “Does the Committee recommend advancing a targeted hire approach in Seattle and if so, in what form?”

Targeted hire is a “program or policy aimed at increasing employment opportunities for disadvantaged workers who often experience difficulty accessing the construction workforce pipeline.”⁴ Workers targeted by these programs benefit from apprenticeship and pre-apprenticeship programs that exist in the construction industry, where they earn as they learn. Construction is one of the few industries where a person with little formal education or who had previously faced employment barriers can be trained while earning a living wage and good benefits.

There are a variety of tools that can be used by municipalities to achieve their goals for targeted hire. Contractual tools like community benefits, project labor agreements and contract provisions can be used. Institutional and legislative tools such as executive orders, resolutions and ordinances can also be used. Criteria for targeted hire can also be set through responsible contractor standards. In this approach, contractors must meet pre-determined criteria to bid on public projects. Another option allows the free market to direct jobsite hiring, assuming supply and demand will bring in and necessitate the hiring of the targeted population. Also, targeted hire can be implemented through a mix of these tools. UCLA provided a summary of targeted hire mechanisms and the advantages and challenges of each (see Appendix E3, page 3).⁵

CCAC narrowed their focus to three alternatives: a targeted-hire ordinance, a Project Labor Agreement (PLA), or a hybrid of an ordinance containing a PLA. A hybrid approach encompassing a targeted hire ordinance with a PLA

⁴ UCLA Labor Center Report - *Exploring Targeted Hire*, Los Angeles: UCLA, March 2014, p. 12.

⁵ *Ibid*, p. 3.

combines two tools that have been used by a number of agencies to achieve targeted hire outcomes.⁶

By majority, CCAC voted (with two general contractors abstaining and one trainer indicating the recommendation was acceptable, but not the preferred solution) to recommend a hybrid approach, establishing an ordinance requiring all projects at or above \$5,000,000 to have target hire requirements and a mandated PLA.

- 1. An Ordinance Creating a Target Hire Requirement on all Projects at or above \$5,000,000.**
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 - **Two years from the start of the first project covered under this ordinance and project labor agreement, FAS would analyze to determine if a higher or lower threshold is appropriate. (BY CONSENSUS)**

⁶ UCLA Labor Center Report, pages 27 and 32.

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APPRENTICESHIP RECOMMENDATIONS

CCAC recommended amending the current City Apprenticeship Ordinance (SMC 20.38) to create a stronger apprenticeship training pipeline:

- **Revise the apprenticeship utilization requirement within SMC 20.38, to require each City project have no less than 15% of total work hours performed by Apprentice workers and no more than 20%. (BY CONSENSUS)**
- **Require that the percentage of total work hours be performed by under-represented individuals, with FAS allowing contractors to offer alternative ways to meet social equity goals. (BY MAJORITY)**
(If a Contractor is unable to meet the requirement, the Contractor may seek a waiver at time of bid, by selecting alternative methods to promote the intentions of the Target Hire Program. FAS shall define the alternatives that a Contractor may offer.)
- **Require contractors to hire one pre-apprenticeship graduate as a preferred entry into an apprenticeship program so one of every 5 apprentices hired to serve on the project is a preferred-entry apprentice. (BY MAJORITY)**
- **Add resources for greater recruitment and support of underrepresented individuals, in a manner that encourages other public agencies throughout the region to join. (BY CONSENSUS)**
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- **Provide funding and support for apprenticeship and pre-apprenticeship programs to improve retention and graduation rates as well as to increase employment of under-represented individuals. (BY CONSENSUS)**

RESOURCES NEEDED TO SUPPORT TARGETED HIRE

CCAC recommended several policy interventions that may require additional resources to support the targeted hire effort.

- 1. Regional collaboration –Each public agency has its own program and policies that a contractor must follow. CCAC members recommend public agencies come together around standards that could apply to all public contracts across the region. (BY CONSENSUS)**
(The City could form a regional advisory committee for public agencies, training program leaders, community representatives, contractors, and labor leaders, with a mission to research, discuss and consider ways to build and share regional approaches to increasing the utilization of disadvantaged individuals in the construction workforce.)
- 2. Compliance and Accountability -- CCAC members agreed that the City needs compliance and accountability mechanisms that get results. (BY CONSENSUS)**
(The City could include incentives and/or penalties for contractors. Enforcement may include on-site monitoring, real-time review of certified payroll, and community access to materials and discussions).
- 3. Worker Recruitment and Referral -- Filling any remaining needs in the existing worker recruitment and referral systems was important to CCAC members. (BY CONSENSUS)**
(Funding could be provided to existing programs to help fill their needs. Additional funding for a Jobs Coordinator position was discussed but majority concurrence was not reached. CCAC members agreed any position developed to serve this function should be accountable to the City, have authority, and maintain a city-wide perspective.)
- 4. Support for Pre-Apprenticeship Programs and Students: FAS has been tasked to work with other City departments, pre-apprenticeship, support service and referral programs to fund and stoke the apprenticeship pipeline. (BY CONSENSUS)**
(This kind of effort is supported by the CCAC.)

Conclusion

The Seattle Construction Careers Advisory Committee was created to recommend how to expand opportunities for those historically under-represented in the construction field: women, people of color and otherwise disadvantaged individuals.

Three studies were commissioned for the CCAC: 1) to establish a baseline of existing worker demographics on the City of Seattle projects; 2) to evaluate the regional construction labor market and workforce as well as the demographic composition of this workforce; 3) to examine targeted hire initiatives across the U.S. and recommend the best practices for implementing a targeted hire policy.

The CCAC met and identified several barriers to construction careers for disadvantaged workers. To overcome the barriers, they recommended increasing the apprenticeship goal, where applicable, to 20% on public works projects. They also recommended additional funding to enhance recruitment and referral of disadvantaged workers. Some forms of direct aid to assist disadvantaged workers during apprenticeship and pre-apprenticeship was also advised.

CCAC members encouraged the City to lead and facilitate a regional approach to targeted hire goals, procedures and rules. They noted that consistency among agencies on apprentice and targeted hire goals would expand opportunities, increase participation of WMBE and other contractors, and achieve efficiencies throughout the scoping, bidding and constructing process.

The CCAC, by majority, recommended a hybrid targeted hire policy for the City to implement. The hybrid has an ordinance comprised of the city setting targeted hire requirements for each project at or above \$5 million. It identified targeted workers as women, people of color, those living in economically distressed zip codes and members of disadvantaged populations in King County. The hybrid also contains a PLA for projects at or above \$5 million and requires the city to re-evaluate in 2 years after the start of the first project if a higher or lower threshold is appropriate. The Ordinance includes WMBE accommodations such as five core workers for each contract on each project, dual benefit payments, technical support, a process to enforce fair treatment and a clause that allows the contractor and union to waive WMBE participation in the PLA under special circumstances.

Submitted July 30, 2014 to the City of Seattle by Rhonda Hilyer and Ginny Ratliff of Agreement Dynamics.